

S

EIGHTH
ANNUAL REPORT

OF THE

Catawissa Railroad Company,

FOR THE YEAR ENDING

DECEMBER 31st, 1867.

PHILADELPHIA:
THE LEISENRING STEAM PRINTING HOUSE,
Jayne's Building, Nos. 237 and 239 Dock Street.
1868.

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OFFICERS
OF THE
Catawissa Railroad Company,

DECEMBER 31st, 1867.

— — —
PRESIDENT,
M. P. HUTCHINSON.

TREASURER,
W. L. GILROY.

SECRETARY,
EDWARD JOHNSON.

DIRECTORS:

SAMUEL V. MERRICK, Phila.
I. V. WILLIAMSON, "
JAMES S. COX, "
EMMOR WEAVER, "
F. K. SHIPPER, "
CHAS. R. PAXTON, Bloomsburg, Pa.

ANNUAL MEETING.

An annual meeting of the stockholders of the Catawissa Railroad Company was held in pursuance of the provisions of the charter of said Company, on the 7th day of April, 1868, at 12 o'clock, noon, at the Company's office, No. 424 Walnut street, Philadelphia, called in pursuance of the notice of which the following is a copy :—

OFFICE CATAWISSA RAILROAD COMPANY,
No. 424 Walnut Street,
PHILADELPHIA, March 8th, 1868.

The Annual Meeting of the stockholders of the Company will be held on Tuesday, the 7th day of April, 1868, at 12 o'clock, noon, at the Company's Office, No. 424 Walnut street, in the city of Philadelphia.

EDWARD JOHNSON,
Secretary.

On motion, W. P. Chandler, Esq., was called to the chair, and Edward Johnson appointed Secretary.

The President read to the meeting the report of the Board of Directors for the year ending December 31st, 1867.

On motion of James A. Freeman, Esq., it was

Resolved, That the report be accepted, and, with the accompanying tables, be printed in pamphlet form for distribution among the stockholders.

On motion, adjourned.

W. P. CHANDLER, *Chairman.*

E. JOHNSON, *Secretary.*

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EIGHTH ANNUAL REPORT.

1868.

TO THE STOCKHOLDERS OF THE
CATAWISSA RAILROAD COMPANY:

In presenting the annual report of the business and workings of the road, (no change having been made in the relations existing between this Company and the Atlantic and Great Western Railway Company since last report,) your Directors are gratified to be able to state that its results have fully realized their expectations.

The capital account issued is :—

500 First Mortgage 7 per cent. Bonds, @ \$500,	\$250,000 00
41,975 Shares Preferred Stock. " 50,	2,098,750 00
22,823 " Common " " 50,	1,141,150 00
5 per cent. Chattel Bonds, (\$34,000,) .	24,500 00
	—————
	\$3,514,400 00
<i>Less</i> First Mortgage Bonds canceled, as per requirement of Sinking Fund,	12,000 00
	—————
	\$3,502,400 00

Capital not issued:—

2,025 Shares Preferred Stock, @ \$50,	\$101,250 00
367 " Common " " 50.	18,350 00
	—————
	119,600 00
	—————
Total Capital,	\$3,622,000 00
	—————

Floating debt, *none*.

The statement of earnings and expenses, as by reference to detailed reports of Superintendent and Treasurer, shows:—

Receipts,			\$560,380 56
Less Rent and use of Connecting Roads,			49,155 49

EARNINGS, \$511,225 07

(*Being \$7,865 per mile of road.*)

Working Expenses, Maintenance and General Expenses,			327,831 79
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(*Being 64 $\frac{12}{100}$ per cent. of Earnings.*)

Profits of the year, \$183,393 28

Comparison with business of previous year shows:—

PASSENGERS CARRIED ONE MILE.

1866,	2,858,732,	yielding	\$83,466 09
1867,	2,353,574,	"	74,757 24
Decrease,	505,158		\$8,708 85

FREIGHT—TONS MOVED ONE MILE.

	1866.	1867.	Increase.
Local and Through,	12,916,760	15,215,522	17 $\frac{78}{100}$ per ct.
Coal,	2,586,860	3,023,571	16 $\frac{88}{100}$ "
Total,	15,503,620	18,239,093	17 $\frac{94}{100}$ per ct.

	1866.	1867.	Increase.
Local & Through,	\$309,427 18	\$337,646 17	\$28,218 99
Coal,	41,753 90	43,512 60	1,758 70
Total,	\$351,181 08	\$381,158 77	\$29,977 69

Your present Board of Directors, upon assuming the management of the Company, under the advice of the Superintendent and Engineer, decided, if practicable, to finish the renewals of the superstructure, and thus close, as near as possible, the extraordinary expenditures,—believing that economy in the future management would be the result. Since the roadway came into the possession of this Company, the renewals chargeable to extraordinary expenses have been about equivalent to creating a new superstructure,—rendered necessary by the dilapidated condition in which it was received by them. With this end in view, \$101,013.85 has been expended in completing these renewals; and your Board confidently expect that the coming year will, if no unforeseen contingency arise, show a handsome increase of profits applicable to a dividend fund. The immediate result has been, that an increase of tonnage of $17\frac{64}{100}$ per cent. has been carried at about five per cent. increase of expense.

Although the business of the year shows a large increase in freights, the reduced rates consequent upon the unsettled condition of the business of the country, (about equivalent to a reduction of ten per cent.,) have prevented a corresponding increase in the gross revenue of the Company; while the high price of labor and materials have prevented any material reduction of expenses.

The lessees of our coal property have not yet been able to overcome the difficulty they met with in the shaft. They have expended a very considerable amount of money in explorations in its immediate neighborhood, and have finally, some time since, commenced tunneling directly across the basin, through a mass of hard conglomerate that appears to have been thrown up in form

of saddle through the bottom of the basin. They are now through it, and the metals indicate they are approaching the coal-measures again. This course will fully explore the condition of Mammoth and inner-lying veins. While doing this they have been mining and sending to market, from the adjoining property, as high as 8,000 tons per month, a very large portion of which goes west over the whole length of our road,—which business they hope to largely increase this year.

In the year 1863, as the stockholders are aware, a contract was made by which this Company procured the use of 150 gondola cars,—the earnings, or allowance for car-service, on our own or connecting roads, being set aside to pay the interest on cost and the redemption of the cars. During the year 1867 the earnings in this shape, above interest, have been sufficient to purchase 30 cars, leaving 92 cars to be redeemed. As the time for which this contract was made has expired, it is at the option of the Company to pay off the balance. The earnings from car-service of these cars, over interest on the amount required for their redemption, would, upon the basis of last year, yield the Company about \$20,000, to be added to its net earnings annually, which, as soon as practicable, your Board proposes to accomplish.

The more detailed statements of the operations of the road will be found in the reports of the Superintendent and Treasurer, annexed, to which you are referred.

Respectfully submitted,
By order of the Board of Directors,

M. P. HUTCHINSON,

President.

REPORT OF THE SUPERINTENDENT.

SUPERINTENDENT'S OFFICE,
WILLIAMSPORT, PA., January 1st, 1868.

M. P. HUTCHINSON, Esq.,

General Manager for Lessees of Catawissa Railroad,

SIR:—I have the honor to present the following statement of the business of Catawissa Railroad for the year ending December 31st, 1867.

The earnings of the road have been \$511,225.07.

The working expenses have been \$327,831.79.

The increase of tonnage over that of 1866, was 56,835 tons, or $21\frac{3}{5}\%$ per cent.

The water-tanks, sidings, and similar auxiliaries for operating this road, were originally built of very small capacity. As the traffic has increased, it has become necessary to make a radical change in all these in order to move trains with sufficient promptness to retain the trade offered to us.

It is gratifying to be able to show, by the increase of our tonnage, that the shipping public appreciate the efforts we have made in this respect.

It is a fact worthy of careful consideration, that whilst rates are closely approximating minimum, no decline in price of labor has occurred since 1865, and the price of all our staple supplies is quite double the figures of 1861. Added to the high price of supplies, is the trouble, anxiety and expense incident to the use of inferior material.

Comparing the present service with experience in using material a few years ago, we find that iron tyres, fire-boxes, car-wheels and rails yield under less than half the wear then obtained. This is true of the fabrics of those who rank as first-class makers.

This being the case, our only resort is to obtain superior metals at somewhat greater prices. The new tyres we purchase are all of best crucible steel. Our fire-boxes are being renewed with steel and best hammered plate. All new axles are of best hammered iron, and our wheels are guaranteed to be made of same metal as that used by the United States Government for heavy ordnance.

Though expensive at time of renewal, we feel confident future results will show the wisdom of this change, whilst the past character of our road, as a safe and reliable route, will be fully sustained, and the public will be reassured of our determination to keep up to its past standard, if possible.

It seems to me appropriate to call your attention to the foregoing facts, as they exhibit some of the difficulties of operating a railroad in latter years.

MOTIVE POWER.

In this department the ordinary working expenses of the year have been \$100,124.65. During the year—additional power being needed—it was thought more economical to rebuild No. 18 and give her a coal-burning fire-box, than to purchase a new engine.

In this and in building new and larger water-tanks, addition to engine houses, and in new tools, \$9,297.97 have been expended.

Under the head of working expenses are included the renewal of several fire-boxes and of several sets of tires, the necessity for which was quite unexpected and caused by original defects in material, though furnished by makers of first-class reputation.

MAINTENANCE OF CARS.

Ordinary expenses in this department have been \$31,058.82.

As stated in my last report, our eight-wheel dump coal cars were unfit for service. At that date orders had been given to rebuild a portion to meet the just demand of residents on our line for facilities to transport fuel for household and manufacturing uses.

As such work cannot be prosecuted in winter without shops, the reconstruction was delayed until early summer. Forty of them were then rebuilt, of the gondola style, with trap-doors, thus utilizing them for coal, ore and lumber traffic.

For this and for saws to prepare material by use of steam power, \$18,131.78 was expended.

MAINTENANCE OF WAY AND STRUCTURES.

Ordinary expenses of maintenance of way were \$71,- 520.28, and of bridges, \$1,175.47.

One thousand and thirty tons of rerolled rails, with the necessary accompaniment of new ties and splice-joints, were put in track last year. Over thirty miles of the track have been supplied with splice-joints in place of the old lip-chairs worn out and broken. These items, together with the cost of handling and placing them, cost \$46,681.04.

It affords me pleasure to report that the extraordinary expense on bridges is now closed. They are all substantially rebuilt, and, with one exception, are thoroughly coated with paint and lime preservatives. In addition to the expense of removing the last two of the old structures at Mainville and Fisher's, we were unexpectedly called upon to twice reroof the greater portion of the Susquehanna bridge at Rupert, and to build an entire new truss bridge, of eighty feet span, near Danville. Wind storms, at two different times during the summer, removed the greater portion of the roof of the former, and a flood, in August, removed a small structure that crossed Mahoning creek, near Danville, and so changed the channel of that stream as to make a much larger bridge necessary.

These items, and building a new station house at Ringtown, and section houses at Girard and Summit, cost \$22,405.37.

Unless injured by unforeseen accident or providential visitations, the bridges should not require any extraordinary expenditures for many years in future.

The track still requires additional rerolled iron and splice-joints to renew the original material placed in it; but it is believed the effect of the large amount of renewals during last year will be so salutary as to render expense in this respect of much less importance.

All of which is respectfully submitted,

GEORGE WEBB,
Superintendent.

REPORT OF THE TREASURER.

OFFICE LESSEES CATAWISSA R. R.,
No. 424 WALNUT STREET, PHILADELPHIA, March, 1868.

M. P. HUTCHINSON, Esq.,

President and General Manager for Lessees of Catawissa Railroad.

SIR:—Herewith I have the honor to submit “Abstract Balance Sheet” and “Transportation and Income Accounts” for the year ending 31st December, 1867.

Respectfully submitted,

W. L. GILROY,
Treasurer.

Transportation and Income Account for 12 months ending Dec. 31st, 1867.

RECEIPTS OF THE ROAD.

Freight on Merchandise.....	\$295,126 19
Freight on Coal.....	47,481 17
Miscellaneous Receipts.....	46,387 34
Empire Line.....	70,875 05
Travel Account	86,710 81
United States Mail.....	13,800 00
Total Receipts.....	\$560,380 56

DEDUCT

Rent of Little Schy'l R. R.—P. & R. R. Co., Lessee, \$13,678 93	
Rent of Phila. & Erie R. R.—Penn'a R. R. Co., Lessee, 35,476 56	
	49,155 49

\$511,225 07

WORKING EXPENSES.

Agents, Station.....	\$5,569 99
Car Cleaning and Inspecting.....	3,390 80
Conductors, Brakemen & Dispatchers,	27,620 22
Drawbacks and Overcharges.....	215 33
Expenses of Stations.....	4,441 75
Foreign Agencies.....	2,678 98
Incidentals.....	2,602 60
Light at Stations and for Cars.....	242 11
Loss and Damage to Goods.....	835 57
Oil, Tallow, Waste, &c.....	1,485 06
Rent and Allowance for use of Cars..	23,079 60
Stationery and Printing.....	1,180 04
Station Repairs, Rent and Taxes on Depot, &c.....	585 51
Carried forward.	\$73,927 56 \$511,225 07

	Brought forward,	\$73,927 56	\$511,225 07
CONDUCTING TRANSPORTATION—PASSENGER.	Agents, Ticket.....	\$3,398 18	
	Car Cleaning and Inspecting.....	1,777 76	
	Conductors, Baggage Masters and Brakemen.....	5,904 98	
	Expenses of Stations.....	1,232 93	
	Foreign Agencies.....	1,351 61	
	Fuel at Stations.....	266 23	
	Fuel for Cars.....	116 28	
	Incidentals.....	457 38	
	Light for Cars.....	43 08	
	Lost Baggage.....	130 50	
	Loss from Injuries to Individuals...	21 49	
	Oil, Tallow and Waste.....	228 82	
	Rent and Allowance for use of Cars,	1,406 03	
	Stationery and Printing.....	375 50	
	Station Repairs, Rent and Furniture,	194 86	
			16,905 63
MOTIVE POWER.	Coal for Locomotives—Passenger..	\$2,473 71	
	Coal for Locomotives—Freight.....	20,232 81	
	Engineers and Firemen—Passenger,	3,226 75	
	Engineers and Firemen—Freight...	16,005 94	
	Incidentals—Passenger and Freight,	4,140 02	
	Fluid, Oil, Tallow and Waste—Pas- senger and Freight.....	2,855 71	
	Repairs of Locomotives—Passenger,	5,992 70	
	Repairs of Locomotives—Freight...	25,709 85	
	Repairs of Tools, Machinery & Shops,	3,387 00	
	Repairs of Water Stations.....	1,391 32	
	Watchmen, Switchmen and Wipers,	8,247 08	
	Wood for Locomotives—Passenger..	4,236 67	
	Wood for Locomotives—Freight...	2,225 09	
			100,124 65
MAIN. OF WAY.	Incidentals	\$5,664 50	
	Oil, Fluid and Tallow.....	134 15	
	Repairs of Bridges.....	4,175 47	
	Repairs and Renewal of Telegraph,	411 38	
	Repairs and Renewal of Track.....	58,676 62	
	Tools and Repairs of Tools.....	2,000 67	
	Watchmen.....	4,632 96	
			75,695 75
MAIN. OF CARS.	Incidentals	\$631 04	
	Repairs Passenger & Baggage Cars,	8,403 76	
	Repairs Freight Cars.....	12,871 40	
	Repairs Car Shops and Sheds.....	187 81	
	Tools and Repairs of Tools.....	331 52	
	Repairs Catawissa Car Loan Cars..	8,633 29	
			31,058 82
GENERAL EXPENSES.	Stationery, Printing & Office Expen..	\$4,040 62	
	Taxes.....	353 85	
	Telegraph Expenses.....	4,283 66	
	General Manager's, Treasurer's and Superintendent's Salaries.....	10,549 93	
	Clerks' and Attendants' Salaries.....	7,437 98	
	Rent of General Office, Fuel & Light,	1,338 80	
	National Tax, Travel and Mail.....	2,114 54	
			30,119 38
			327,831 79
	Carried forward,		\$183,393 28

Balance from Transportation and Income Account.		\$183,393 28
Less Coupons paid May, 1867, Chattel Mortgage.....	\$850 00	
Less Coupons paid Nov., 1867, Chattel Mortgage.....	850 00	
Pennsylvania State Tax.....		\$1,700 00
Taxes on Coal Lands.....		1,651 97
Two Passenger Cars.....		1,455 99
Real Estate Mortgage paid.....		10,226 46
		1,000 00
<i>Chargeable to Construction Account.</i>		
Repairs and Renewal of Track.....	48,109 10	
Rebuilding Freight Cars.....	17,701 79	
New Engine House.....	943 80	
Repairs of Bridges.....	22,863 80	
New Car Shop.....	436 41	
New Station Houses.....	952 02	
Rebuilding of Locomotives.....	7,746 27	
Rebuilding Water Stations.....	1,399 56	
Branch Road to Coal Mines.....	861 10	
	101,013 85	
		117,048 27
Balance,		\$66,345 01
Add Balance 1866,		69,618 35
Cash paid Catawissa Railroad Company on acc't of Rent,		\$135,963 36
		135,000 00
		963 36

Dr. CONDENSED BALANCE SHEET,

CATAWISSA R. R. CO.—*Dec. 31, 1867.**Cr.*

By Dividend, No. 2.....	\$73,452 75
Coupons, February, 1867.....	8,400 00
Coupons, August, 1867.....	8,400 00
Pennsylvania State Tax on Appraised Value of Stock.....	2,217 79
Legal Expenses, Surveys, Damages Paid, (occurring in 1865,) and General Expenses.....	17,932 75
Balance.....	36,888 61

\$147,291 90

